

**REDEVELOPMENT PLAN FOR THE  
GEARY REDEVELOPMENT PROJECT**

**PREPARED FEBRUARY, 2022**

**BY THE COMMUNITY DEVELOPMENT AGENCY  
OF THE CITY OF NORFOLK, NEBRASKA**

**A. Introduction**

This Redevelopment Plan for the Geary Redevelopment Project (this “Redevelopment Plan”), prepared by the Community Development Agency of the City of Norfolk, Nebraska (the “Agency”), is a guide for redevelopment activities to remove or eliminate blight and substandard conditions within the City of Norfolk, Nebraska (“City”). The Mayor and City Council of the City (the “Council”), recognizing that blighted and substandard conditions are a threat to the continued stability and vitality of the City, designated certain areas of the City to be blighted and substandard and in need of redevelopment pursuant to the requirements of the Nebraska Community Development Law, sections 18-2101 et. seq., as amended (the “Act”).

Prior to the preparation of this Redevelopment Plan, and in compliance with the Act, the Mayor and Council designated a portion of the City as a blighted and substandard community redevelopment area, such area being commonly referred to as the Downtown District Redevelopment Area. This Redevelopment Plan sets forth a proposed redevelopment project located within the Redevelopment Area to optimize the tax increment financing (“TIF”) resources available to offset certain costs deemed eligible for reimbursement by TIF under the Act, and to remove existing and avoid future blighted and substandard conditions, all as further described herein. This Redevelopment Plan contemplates the phased construction of a mixed-use development consisting of multi-family residential, condos, and commercial uses, together with such public improvements associated therewith, within the Redevelopment Area (such public and private improvements are collectively referred to herein as the “Redevelopment Project”).

**B. Redevelopment Area; Project Site; Existing Conditions**

Exhibit "A", attached hereto and incorporated herein, sets forth the boundaries of the Redevelopment Project (referred to herein as the “Redevelopment Area”). . The Redevelopment Area is entirely included in the "Downtown District Redevelopment Area," which the Mayor and Council previously declared blighted and substandard and in need of redevelopment. Exhibit "A-1", attached hereto and incorporated herein, sets forth the boundaries and existing conditions and land uses of the area to be developed as part of the Redevelopment Project (the "Project Site"). The Project Site is located to the northeast of the intersection of Braasch Avenue and N 3rd Street in the City. The Project Site is completely engrossed within the blighted and substandard Redevelopment Area and is in need of redevelopment.

**C. Conformance with the Comprehensive Plan**

It is essential to the City’s comprehensive plan for land use and development (the “Comprehensive Plan”) that dilapidated, inadequate, or deteriorating portions of the City

conform to the current and future needs of the City as it continues to grow and expand. Exhibit "B", attached hereto and incorporated herein, shows a portion of the future use map (showing the Project Site and surrounding areas) included within the City's Comprehensive Plan. The map sets forth a "Mixed Use" designation for future use of the Project Site. A Mixed Use designation promotes development patterns comprised of housing (inclusive of multi-family), retail, offices, and light commercial trade. Accordingly, the anticipated uses associated with the Redevelopment Project conform to the desired use of the Project Site set forth in the Comprehensive Plan's future use map.

The Project Site is located within a portion of the City referred to as the "Downtown district" in the Comprehensive Plan. With respect to the same, the Comprehensive Plan further sets forth the following guidance and objectives:

- The Downtown district provides a walkable, mixed use environment that serves as the city's primary civic, cultural, and entertainment destination, as well as an important center for commerce activities making it the heart of the community.
- Retail and/or entertainment based development types should be encouraged to locate within the Downtown district. These development types should be programmed to provide increased night-time activity to the downtown area attracting college students, young adults, and families who desire such amenities and cultural attractions in their community.
- Downtown and its immediate fringe areas should offer a wide variety of medium to high-density housing options to support retail, restaurants, professional services, and entertainment venues.
- The Downtown district should serve as a central, commerce, governance, and gathering place; allowing for people to network and exchange ideas, goods, and services.
- The City should adopt a proactive stance in regenerating downtown buildings/blocks by establishing necessary financial and organizational structures. This may include the City partnering in key redevelopment sites or catalyst projects.
- Encourage the development of a new central plaza/gathering space within the downtown and adjacent to the North Fork Elkhorn River Corridor for supporting community events and activities.

The Redevelopment Project will assist in carrying out the above objectives for the Downtown district; and specifically, the portion adjacent to the river corridor. Accordingly, the

Redevelopment Project is in conformance with and furthers the objectives under the City's Comprehensive Plan.

#### **D. Redevelopment Project Overview**

The Redevelopment Project will be undertaken by developers Dan and Connie Geary (referred to herein as "Redeveloper"). Redeveloper currently owns the parcels which make up the Project Site and no further land acquisition will be required.

The Redevelopment Project consists of the phased construction of a mixed-use residential and commercial development consisting of approximately five condominiums, approximately two multi-family apartment buildings consisting of approximately 10 units, and approximately five two-story commercial structures of various uses and types. All but one of the commercial structures is planned to have apartments on the second floor. The two apartment buildings are intended for use as student housing to serve Wayne State College students as part of the Growing Together Career Scholars Program. No public acquisition of the Project Site is anticipated. One single-family residence and one operating business will be displaced as a result of the Redevelopment Project. Redeveloper and the Agency will comply with all requirements related to relocation assistance under the Act.

The Redevelopment Project will require infrastructure improvements and other public and private improvements which are not financially feasible to undertake at one time. Completing the Redevelopment Project in phases will allow the Redeveloper to maximize the TIF resources available for public improvements, which will be necessary for the Redevelopment Project to succeed. Further, implementation of the Redevelopment Project in multiple phases will allow Redeveloper to construct the private improvements at a rate that the market can support, and to adapt subsequent phases of the project to the changing needs of the City. The Agency and Redeveloper anticipate that Redeveloper will construct the Redevelopment Project in three phases consisting of the following improvements:

"Phase One" – Site preparation and infrastructure improvements for the majority of the Project Site and the construction of approximately two apartment buildings consisting of approximately 10 units, one commercial structure with apartments on the second floor, and rehabilitation of an existing commercial structure, together with the public improvements associated therewith.

"Phase Two" – Construction of approximately two commercial buildings, consisting of approximately 14 commercial units with 24 residential units on the second floors, together with the public improvements associated therewith.

“Phase Three” – Construction of approximately five condominiums, one two-story commercial structure, and one 2 unit commercial structure with 2<sup>nd</sup> story residential, together with the public improvements associated therewith.

The public improvements associated with the Redevelopment Project are discussed in greater detail under Paragraph F of this Redevelopment Plan.

While Redeveloper anticipates the Redevelopment Project will be constructed over the course of three phases, the Redevelopment Project requires flexibility and more or less phases may be necessary as a result of market demand and other extraneous factors. Accordingly, this Redevelopment Plan contemplates and authorizes the reconfiguration of the phasing, as necessary, via an administrative amendment to this Redevelopment Plan, unless such changes constitute a substantial modification und Section 18-2115 of the Act.

Exhibit "C", attached hereto and incorporated herein, sets forth the proposed site plans for the Redevelopment Project. The site plans are preliminary in nature and subject to change.

#### **E. Existing Conditions**

##### **1. Existing Land Use**

The Project Site is currently made up of multiple lots. The current makeup of the lots and the uses thereon is shown in Exhibit “A-1”, attached hereto.

##### **2. Existing Zoning**

The Project Site currently consists of a mix of I-1, C-1 and R-3 zoning designations. The Redevelopment Project will require rezoning of the Project Site, as detailed in Paragraph F, below.

##### **3. Existing Public Improvements**

Public access to the Project Site exists from Braasch Avenue and N 2nd Street from the south, and N 3rd Street and Winter Avenue from the west. The borders of the Project Site have access to paving, sewer, water, storm sewer, electrical service, public walks, and related infrastructure. However, such essential infrastructure will be extended to the interior of the Project Site to serve the uses constructed therein, as detailed in Paragraph F, below.

## **F. Proposed Redevelopment**

### **1. Public Improvements**

The Redevelopment Project will require significant infrastructure improvements and other public improvements. These improvements will include, but are not limited to:

#### **a. Public Access; Traffic Flow, Street Layouts and Street Grades**

As stated above, the Project Site is adjacent to public streets, but extension is required to provide adequate access to the interior of the Project Site and the uses constructed therein. Specifically, Redeveloper intends to extend N 2nd Street, construct two crossover lanes to connect the N 2nd Street extension to N 3rd Street, and extend Winter Avenue to the east. Redeveloper will construct sidewalks providing for pedestrian access to the area, and also intends to move the existing unused railroad bridge spanning the North Fork Elkhorn River downstream to provide a pedestrian connection to existing trails and Johnson Park. Redeveloper will address any traffic and street infrastructure concerns that arise from the Redevelopment Project, including the installation of additional traffic controls. All streets and other public infrastructure constructed by Redeveloper will be subject to review and approval by the City's engineer or other designee of the City.

#### **b. Construction of Water, Sewer and Utility Improvements.**

Redeveloper will construct or extend water and sewer systems, communication lines, gas, electrical, and other essential utilities and infrastructure to provide appropriate service to the interior Project Site.

#### **c. Other incidental improvements**

Redeveloper will grade and fill the Project Site to provide appropriate grading levels to erect the buildings constructed thereon, and to allow for proper drainage and ground water runoff. Redeveloper also intends to implement greenspaces and landscaping for public use and enjoyment, in addition to other improvements for the public benefit, such as street benches, trash bins, bicycle racks, and a community fire pit. A comprehensive breakdown of the anticipated public improvements (and costs related to the public improvements) for the Redevelopment Project are listed in Exhibit "E", attached hereto and incorporated herein.

d. Additional public facilities or utilities

Other than the construction or extension of the public improvements, utilities and infrastructure detailed above, Redeveloper and the City anticipate that the existing public facilities and infrastructure will adequately meet the demands of the Redevelopment Project.

e. Property Acquisition, Demolition and Disposal

No public acquisition of private property is necessary to accomplish the Redevelopment Project. While Redeveloper intends to rehabilitate one of the commercial structures that currently exists on the Project Site, the remaining structures are in too poor of condition to be salvaged and will necessitate demolition.

f. Population Density

The Project Site currently contains one single-family residence. As a result of the construction of approximately five condominiums and 39 apartment units, the Redevelopment Project will result in a net increase in population density in the area. Per the City's Comprehensive Plan, such an increase via the construction of mixed-use developments is desired in the Downtown district.

g. Land Coverage

The Project Site consists of approximately 4.5 acres of vacant space and low density single-family housing and commercial uses. The residential and commercial uses constructed as part of the Redevelopment Project will result in a considerable increase to land coverage and building density, as is implicit with the type of mixed-use developments desired by the City in the Downtown district. The site plans set forth in Exhibit "C" depict the Redevelopment Project's anticipated land coverage footprint. The Redevelopment Project is subject to and must comply with all applicable land coverage ratios required by the City.

h. Parking

The site plans included within Exhibit "C" show the preliminary parking plans for the Redevelopment Project. Redeveloper will be required to comply with all parking requirements under the City's zoning code with respect to the various uses constructed.

i. Zoning, Building Code and Ordinance

The Project Site currently consists of a mix of I-1, C-1 and R-3 zoning designations. Rezoning of the Project Site will be required. Redeveloper intends to rezone the Project Site as C-2 with a Mixed Use Overlay, which will allow for the anticipated uses. Redeveloper also intends to re-plat the Project Site, as shown in Exhibit "C". Redeveloper will be responsible for all zoning, building code, or ordinance changes that are necessary for the Redevelopment Project.

**2. Private Improvements**

Private improvements for the Redevelopment Project Area consist of the construction of approximately five condominiums, approximately two multi-family apartment buildings consisting of approximately 10 units, and approximately five two-story mixed-use commercial/residential structures of various uses and types, in addition to the related facilities and improvements ancillary thereto. The two apartment buildings are intended for use as student housing to serve Wayne State College students as part of the Growing Together Career Scholars Program. In total, Redeveloper anticipates the Redevelopment Project will result in the construction of approximately 39 new dwelling units. Redeveloper or other builders taking reconveyance from Redeveloper will construct the private improvements. Paragraph H of this Redevelopment Plan details the anticipated construction schedule for the private improvements.

**G. Project Costs**

The total cost of the Redevelopment Project is estimated to be \$24,712,736. The estimated costs of the Redevelopment Project are attached and incorporated herein as Exhibit "D". Such figures are only estimates based upon 2022 pricing, and are subject to change without further amendment of this Redevelopment Plan.

**H. Implementation**

Redeveloper is unable to undertake the construction in Phase One of the Redevelopment Project without some assurance that Redeveloper can undertake the additional phases. According to Redeveloper, it could not complete the initial public improvements for Phase One but-for the approval of the entire Redevelopment Project and, likewise, the subsequent phases of the Redevelopment Project would not occur but-for these initial public improvements. Accordingly, this Redevelopment Plan contemplates that the costs and expenses of all the public improvements for the Redevelopment Project are eligible TIF uses for each phase of the Redevelopment Project (as allocated). As such, Redeveloper may apply the TIF Revenues (defined below) generated from each phase of the Redevelopment Project toward the payment of



the eligible expenses of the entire Redevelopment Project, if necessary; provided there is no duplication of costs between phases. Likewise the TIF Revenues generated from one phase may be applied as payment on the TIF Indebtedness (defined below) for a different phase, as may be necessary.

Redeveloper intends to commence construction of Phase One in spring of 2022, pending approval of TIF. Redeveloper will endeavor to complete Phase One by the end of 2024. Redeveloper intends to construct the subsequent phases over similar intervals upon completion of the prior phase; provided that market demand and other extraneous factors may require more or less time for each phase.

The anticipated start dates and completion dates for the phases are preliminary and subject to change based upon market conditions, availability of materials, workforce availability and other extraneous factors. More or less phases spanning more or less time than the anticipated timeframes listed above may be necessary as a result of such extraneous conditions or factors.

Upon the completion of each phase, or sub-phase thereof, Redeveloper will notify the Agency of the same in writing on a form prescribed by the Agency. Such notice shall set forth the "effective date" (as defined in the Act) for the pertinent phase or sub-phase, all as shall be set forth in greater detail in the "redevelopment contract(s)" (as defined in the Act) entered into between Redeveloper and the Agency with respect to the Redevelopment Project.

## **I. Financing**

The City and the Agency contemplate the use of TIF for the Redevelopment Project. Section 18-2147 of the Act authorizes the use of TIF. It provides that any ad valorem tax levied upon real property, or any portion thereof, in a redevelopment project shall be divided, for a period not to exceed fifteen years after the effective date as identified in the redevelopment contract, or amendment thereof, or in the resolution of the authority authorizing the issuance of the indebtedness pursuant to the Act, as follows:

- (a) That portion of the ad valorem tax the levy produces at the rate fixed each year by or for each public body upon the redevelopment project valuation shall be paid into the funds of each such public body in the same proportion as are all other taxes collected by or for the body ("Base Tax Amount"); and
- (b) That portion of the ad valorem tax on real property, as provided in the redevelopment contract or bond/note resolution, in the redevelopment project in excess of the Base Tax Amount, if any, (referred to herein as "TIF Revenues")

shall be allocated to and, when collected, paid to the authority to be used solely to pay the principal of, the interest on, and any premiums due in connection with the bonds of, loans, notes, or advances of money to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, such authority for financing or refinancing, in whole or in part, the redevelopment project.

With respect to the Redevelopment Project, the actual base tax year for each phase, or sub-phase thereof, of the Redevelopment Project will be established via the notifications from Redeveloper to the Agency referenced in Paragraph H, above, as shall be further detailed in the redevelopment contract(s). The Agency and Redeveloper anticipate the effective dates will be different for each phase, or sub-phase thereof, and therefore the increment period for each phase, or sub-phase thereof, will be different.

Notwithstanding any provision herein to the contrary, all TIF Revenues shall only be divided and allocated over the applicable 15-year increment period or payment of the TIF Indebtedness, whichever occurs first, with respect to the applicable phase, or sub-phase thereof.

## **1. Necessity of TIF**

Redeveloper has represented and warranted to the City that it would not be economically feasible to develop the Redevelopment Project without TIF, and Redeveloper would not undertake the Redevelopment Project without TIF. In support thereof, Redeveloper provided in its TIF application, as paraphrased:

Except for one existing building that is salvageable, all structures will require new construction. Because of the limited space in the Project Site, the number of structures that can be constructed is limited, thereby reducing the revenue available. The Project Site further requires extensive and costly infrastructure installation. As such, it is not possible or financially feasible to conduct the site preparation, infrastructure installation and buildout of the Project Site, while also incurring a substantial increase in property taxes related thereto, without the assistance of TIF. TIF will provide the necessary up-front capital to construct the Redevelopment Project.

The City and Agency concur with Redeveloper's representations. The current conditions of the Project Site, the lack of infrastructure, and the added site preparation costs related thereto, contribute to the site's blighted and substandard condition and the infeasibility of its development without the assistance of TIF. Accordingly, the Redevelopment Project, as proposed herein, is not economically viable without the assistance of TIF and Redeveloper would not construct the same without TIF.

## **2. Sources and Uses of Financing**

Based upon the projections provided in Exhibit "E", attached hereto and incorporated herein, the Agency and Redeveloper contemplate issuance of one TIF bond (the "TIF Indebtedness") for each phase of the Redevelopment Project (i.e., three total), in the principal amounts not to exceed:

Phase One – \$1,309,756

Phase Two – \$2,177,910

Phase Three – \$1,365,608

The TIF Indebtedness shall bear interest at a rate not to exceed 5.0% per annum. The final principal and interest amount comprising the TIF Indebtedness shall be determined by the Agency and set forth in the redevelopment contract(s) or resolution(s) authorizing issuance of the TIF Indebtedness.

The total estimated cost of the Redevelopment Project is \$24,712,736. Redeveloper anticipates the balance of the public and private costs exceeding the TIF Indebtedness will be financed by a mix of equity and traditional bank financing. The above figures are only projections and are subject to change as a result of market conditions and other extraneous factors.

### **J. Cost-Benefit Analysis**

A cost-benefit analysis for the Redevelopment Project is attached as Exhibit "F" and incorporated herein.

### **Exhibits:**

- Exhibit A: Redevelopment Area
- Exhibit A-1: Project Site and Existing Conditions and Land Uses
- Exhibit B: Future Land Use Map
- Exhibit C: Site Plans and Future Land Uses
- Exhibit D: Estimated Construction Costs of the Redevelopment Project
- Exhibit E: Sources and Uses of TIF
- Exhibit F: Cost-Benefit Analysis

## EXHIBIT "A"

### **Redevelopment Area and Existing Land Use**

Existing Conditions of Redevelopment Area and Surrounding Area:

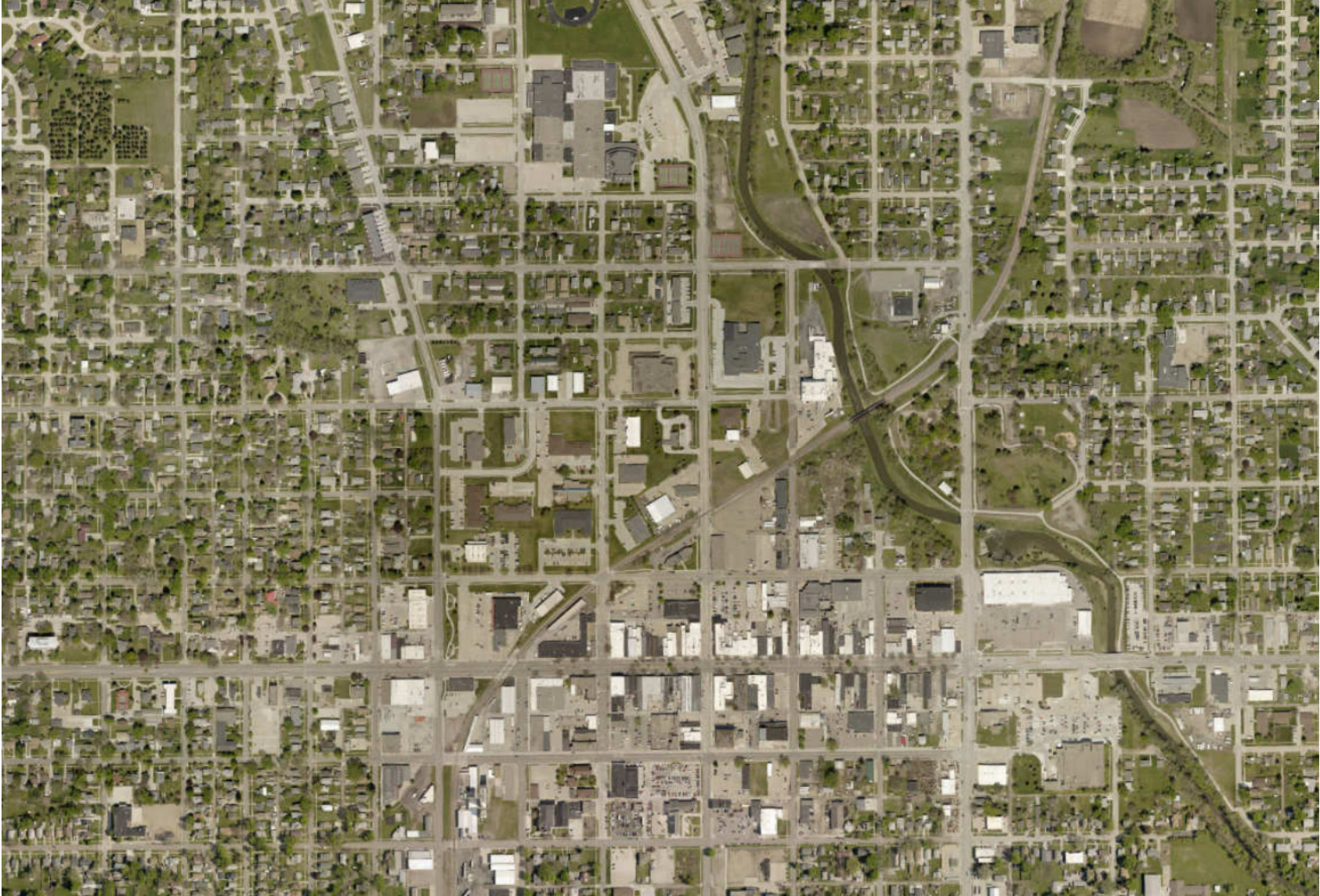


Exhibit "A"

## **EXHIBIT "A-1"**

### **Project Site and Existing Land Use**

#### **Legal Description:**

The North 44 feet of Lots 1 and 2, Block 2, in the original town of Norfolk, Madison County, Nebraska, commonly known as 205 North Second Street, Norfolk, Nebraska.

The North 1 foot of the South 44 feet of the North 88 feet of Lots 1 and 2, Block 2, in the original town of Norfolk, Madison County, Nebraska, commonly known as 203 North Second Street, Norfolk Nebraska.

Tax Lot 7, in the Southeast Quarter of the Southeast Quarter of Section 22, Township 24 North, Range 1 West of the 6th P.M., in the City of Norfolk, Madison County, Nebraska, more particularly described as follows: Commencing 16 feet North of the Northeast corner of Lot 8, Block 1, Original Town of Norfolk; running thence West 116 feet; thence North 22 rods to the center of the creek known as the North Fork of the Elkhorn River; running thence down the center of said creek to a point due North of the starting point; thence due South 13 1/2 rods to the place of beginning, WITH THE EXCEPTION OF a tract of land in said Tax Lot 7, more particularly described as follows: Commencing at a point 16 feet North and 116 feet West of the Northeast corner of Lot 8, Block 1, Original Town of Norfolk, being the place of beginning; thence North 22 rods to the center of the creek known as the North Fork of the Elkhorn River; running thence Easterly down the center of said creek to a point 14 feet East of the North-South 22 rod line; thence due South to a point 14 feet East of the point of beginning; thence West to the point of beginning.

East Half (E1/2) of Tax Lot Six (6) in the Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) of Section Twenty-two (22), Township Twenty-four (24) North, Range One (1), West of the 6th P.M. in Madison County Nebraska, and

A tract of land in Tax Lot Seven (7) in the Southeast Quarter of the Southeast Quarter (SE1/4 SE1/4) of Section Twenty-two (22), Township Twenty-four (24) North, Range One (1), West of the 6th P.M. in Madison County, Nebraska more particularly described as follows: Commencing at a point 16 feet north and 116 feet west of the Northeast corner of Lot Eight (8), Block One (1) Original Town of Norfolk, being the place of beginning, thence North 22 rods to the center of the creek known as the North fork of the Elkhorn River, running thence easterly down the center of said creek to a point 14 feet east of the North South 22 rod line; thence due south to a point 14 feet west of the point of beginning; thence West to the point of beginning.

Lots 1, 2, 3, 4 and 5, Pilger's Second Addition to Norfolk, Madison County, Nebraska

Tax Lot 4 in the SE1/4 SE1/4 of Section 22, Township 24 North, Range 1 West of the 6th P.M., Madison County, Nebraska.

West Half of Tax Lot 6 in the SE1/4 SE1/4 of Section 22, Township 24 North, Range 1 West of the 6th P.M., Madison County, Nebraska.

The North 66 feet of Lots 7 and 8, Block 1, Original Town of Norfolk, Madison County, Nebraska.

Commencing at the Southwest corner of Lot 4, Block 1, Original Town of Norfolk, Madison County, Nebraska, extending thence North 176 feet to the North line of said Lot; thence East 18 feet; thence South 51 degrees 20 minutes East along the South side of the dike along the North Fork River, a distance of 28.18 feet; thence South 158.51 feet; and thence West 40 feet to the place of beginning; also Lots 5 and 6, Block 1, Original Town of Norfolk, Madison County, Nebraska.

The South 100 feet of the West 45 feet of Lot 8, Block 1, Original Town of Norfolk, Madison County, Nebraska.

\* In the event Redeveloper subdivides or re-plats the Project Site, the legal description(s) of such subdivided or re-platted parcel(s) comprising the Project Site, upon final approval of the City with respect thereto, shall replace and supersede the above legal description. The legal description of the Project Site shall supersede the depiction, provided below.



Project Site Depiction (outlined in red):



Exhibit "A-1"

# Current Land Uses:

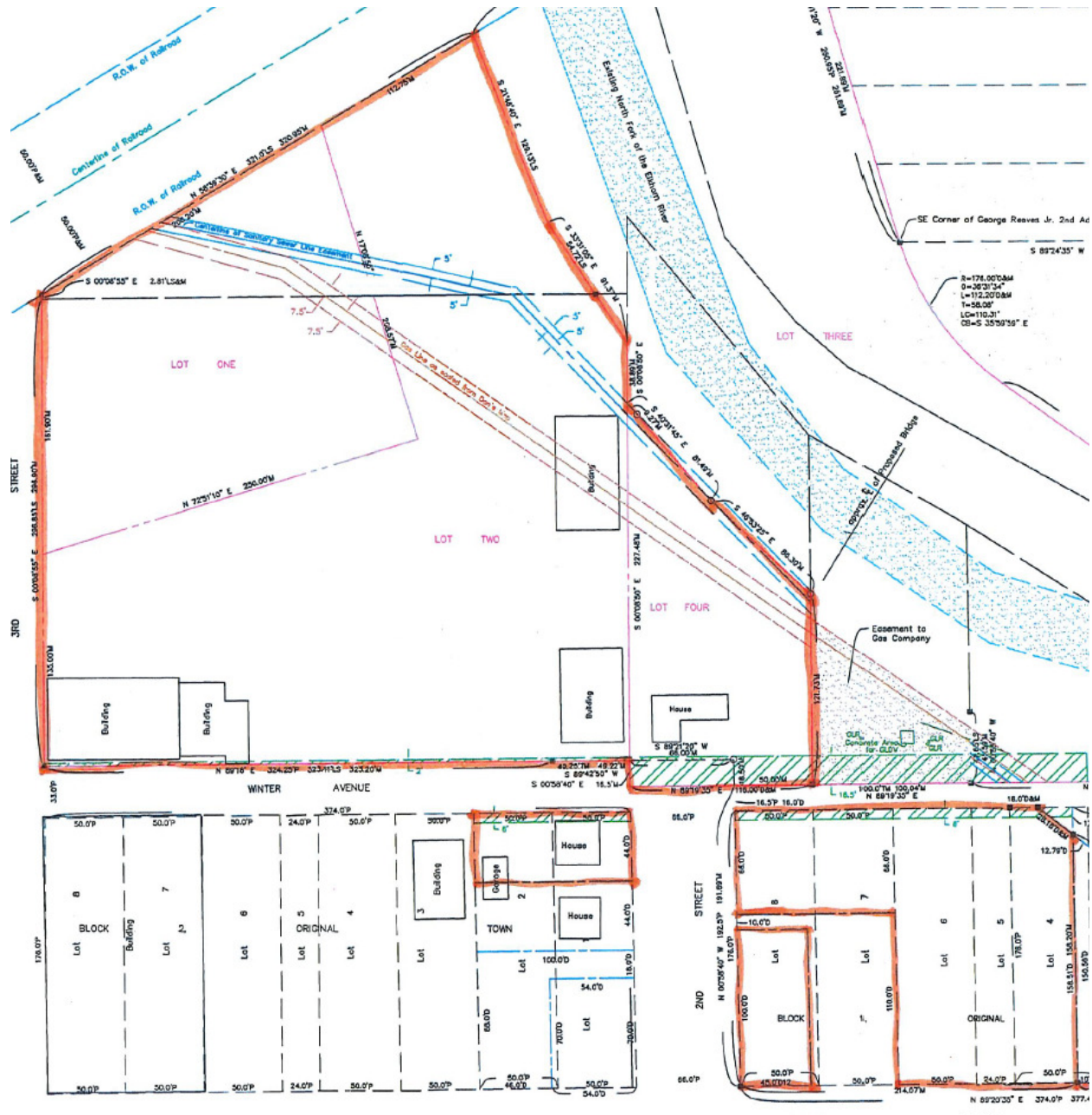
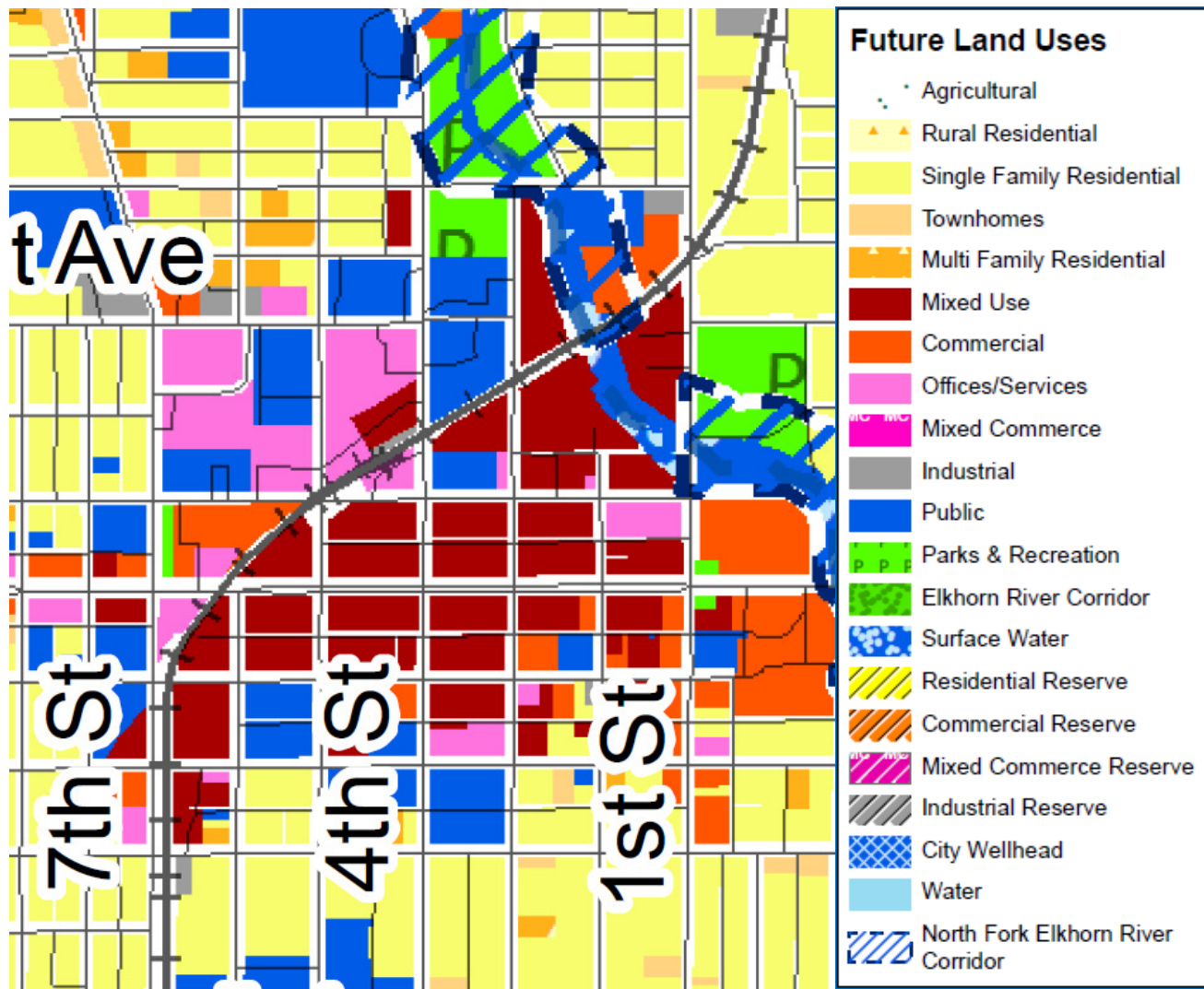


Exhibit "A-1"



## EXHIBIT "B"

### Future Land Use Map



\* Project Site designated as "Mixed Use".

**EXHIBIT "C"**

**Site Plan and Future Land Use**

(See Attached)

\* The attached preliminary site plan is subject to change.

Exhibit "C"



**EXHIBIT "D"**

**Estimate of Construction Costs**

Land Acquisition	\$314,310
Site Preparation and Development	\$2,753,501
Building Cost including rehabilitation	\$21,530,000
Soft Costs	\$114,925
<hr/>	
<b>TOTAL</b>	<b>\$24,712,736</b>

\* The above figures are estimated values based on current pricing. These preliminary estimates are subject to change, as Redeveloper has no control over the change in cost of materials and services between the time of the approval of this Redevelopment Plan and commencement of construction.

**EXHIBIT "E"**

**Sources and Uses of TIF**

**USES:**

(See Attached)

\* The attached “Uses” are preliminary estimates based on current pricing and are subject to change.



Site Planning and Development	Phase 1	Phase II	Phase III	Total
<b>Site Acquisition</b>				
Site Acquisition	\$ 98,477.00	\$138,723.00	\$77,110.00	\$314,310.00
<b>Total</b>	<b>\$ 98,477.00</b>	<b>\$138,723.00</b>	<b>\$77,110.00</b>	<b>\$314,310.00</b>
<b>Site Planning &amp; Development</b>				
Grading & Fill	\$64,600			\$64,600.00
8" Paving Roadway (30' and 63')	\$103,750.00	\$222,163.00	\$162,519.00	\$488,432.00
6" Parking Lots	\$271,076.00	\$170,463.00	\$88,992.00	\$530,531.00
Curb & Gutter	\$7,300.00	\$29,262.00	\$15,012.00	\$51,574.00
Storm Sewer		\$57,970.00		\$57,970.00
Water Main	\$31,050.00	\$33,075	\$27,000	\$91,125.00
Sanitary Main		\$29,025.00	\$27,000.00	\$56,025.00
Moving Bridge	\$375,000.00			\$375,000.00
Clear Site	\$59,920.00			\$59,920.00
Construction Costs Subtotal	<b>\$912,696.00</b>	<b>\$541,958.00</b>	<b>\$320,523.00</b>	<b>\$1,775,177.00</b>
20% Contingency	\$182,539.00	\$108,392.00	\$64,104.00	\$355,035.00
<b>Total Construction Costs</b>	<b>\$1,095,235.00</b>	<b>\$650,350.00</b>	<b>\$384,627.00</b>	<b>\$2,130,212.00</b>
<b>Additional Site Development</b>				
BHE-Natural Gas Relocation	\$30,000.00	\$30,000.00	\$1,000.00	\$61,000.00
NPPD-Electricity extension & relocate power pole	\$20,000.00	\$50,000.00	\$15,000.00	\$85,000.00
Landscaping	\$9,880.00	\$3,930.00	\$4,770.00	\$18,580.00
Trails & sidewalk development	\$123,952.00	\$35,243.00	\$23,957.00	\$183,152.00
Urban Lighting	\$40,000.00	\$80,000.00	\$56,177.00	\$176,177.00
Traffic Controls	\$0.00	\$9,380.00	\$0.00	\$9,380.00
Street Furniture & Firepit	\$5,000.00	\$5,000.00	\$50,000.00	\$60,000.00
Rehab Existing Structures	\$50,000.00			\$50,000.00
<b>Total Additional Site Development Costs</b>	<b>278,832.00</b>	<b>213,553.00</b>	<b>180,904.00</b>	<b>673,289.00</b>
<b>Master Planning &amp; Engineering</b>				
Master Planning	\$34,500.00	\$0.00	\$0.00	\$34,500.00
Engineering Estimates	\$25,000.00	\$25,000.00		\$50,000.00
<b>Total Master Planning &amp; Engineering</b>	<b>\$59,500.00</b>	<b>\$25,000.00</b>	<b>\$0.00</b>	<b>\$84,500.00</b>
<b>City of Norfolk-Site Development</b>				
Preliminary Plat & abstractors certificate	\$675.00	\$0.00	\$0.00	\$675.00
Final Plat	\$3,000.00			\$3,000.00
Madison County Filing Fees	\$200.00	\$200.00	\$200.00	\$600.00
zoning Change	\$800.00	\$0.00	\$0.00	\$800.00
Redevelopment Plan-Certified Mailing	\$200.00	\$0.00	\$0.00	\$200.00
Redevelopment Contract-Madison Co. Filing	\$50.00	\$50.00	\$50.00	\$150.00
<b>Total Planning &amp; Development Fees</b>	<b>\$4,925.00</b>	<b>\$250.00</b>	<b>\$250.00</b>	<b>\$5,425.00</b>
<b>BLOCK ONE RIVER Addition, Misc. Expenses</b>	<b>2022</b>	<b>2023 - 2024</b>	<b>TBD</b>	
TIF Attorney	\$10,000.00	\$0.00	\$5,000.00	\$15,000.00
Relocate Tenants		\$10,000.00	\$0.00	\$10,000.00
<b>Total</b>	<b>\$10,000.00</b>	<b>\$10,000.00</b>	<b>\$5,000.00</b>	<b>\$25,000.00</b>
*Include all in phase I cost estimates				
<b>Total estimated planning &amp; development costs</b>	<b>\$ 1,546,969.00</b>	<b>\$ 1,037,876.00</b>	<b>\$ 647,891.00</b>	<b>\$ 3,232,736.00</b>

Exhibit "E"

## **SOURCES:**

### **Phase One General Assumptions:**

Base Value:	\$158,477
Final Value:	\$6,616,000
Tax Levy (2021):	1.957691
TIF Revenues per Year:	\$125,154
Total TIF Revenues:	\$1,877,310
TIF Indebtedness:	NTE \$1,309,756
Interest Rate:	NTE 5.0%

### **Phase Two General Assumptions:**

Base Value:	\$237,200
Final Value:	\$10,975,000
Tax Levy (2021):	1.957691
TIF Revenues per Year:	\$208,111
Total TIF Revenues:	\$3,121,665
TIF Indebtedness:	NTE \$2,177,910
Interest Rate:	NTE 5.0%

### **Phase Three General Assumptions:**

Base Value:	\$77,110
Final Value:	\$6,810,000
Tax Levy (2021):	1.957691
TIF Revenues per Year:	\$130,491
Total TIF Revenues:	\$1,957,365
TIF Indebtedness:	NTE \$1,365,608
Interest Rate:	NTE 5.0%

\* The above figures are estimates based upon the assumptions in this Exhibit "E" and are subject to change.

## **EXHIBIT "F"**

### **Cost-Benefit Analysis (Pursuant to Neb. Rev. Stat. § 18-2113)**

The cost-benefit analysis for the Redevelopment Project, as described in the attached Redevelopment Plan, which will utilize funds authorized by section 18-2147 of the Act, is provided below:

#### **1. Tax shifts resulting from the approval of the use of funds pursuant to Section 18-2147:**

The taxes generated by the base value of the Project Site will continue to be allocated between the relevant taxing jurisdictions pursuant to the Act. Only the incremental taxes created by the Redevelopment Project will be captured to pay for the project's eligible public expenditures. Since the incremental taxes would not exist without the use of TIF to support the Redevelopment Project, the true tax shift of the Redevelopment Project is a positive shift in taxes after 15 years. However, for the purposes of illustrating the incremental taxes used for TIF, the estimated 15 year tax shift for the Redevelopment Project is set forth in Exhibit "E" of the Redevelopment Plan, and is adopted hereby.

#### *Notes:*

- 1. The Projected Tax Increment is based on assumed values and levy rates; actual amounts and rates will vary from those assumptions, and it is understood that the actual tax shift may vary materially from the projected amount. The levy rate is assumed to be the 2021 levy rate. There has been no accounting for incremental growth over the 15 year TIF period.*

#### **2. Public infrastructure and community public service needs impacts and local tax impacts arising from the approval of the Redevelopment Project:**

##### **a. Public infrastructure improvements and impacts:**

The Redevelopment Project requires considerable public infrastructure installation. Redeveloper intends to extend N 2nd Street, construct two crossover lanes to connect the N 2nd Street extension to N 3rd Street, and extend Winter Avenue to the east. Redeveloper will construct sidewalks providing pedestrian access to the site, and also intends to move the existing unused railroad bridge spanning the North Fork Elkhorn River downstream to provide a pedestrian connection to existing trails and Johnson Park. Redeveloper will address any traffic and street infrastructure concerns created by the Redevelopment Project. Redeveloper will fill



and grade the Project Site to provide for effective surface water runoff. Redeveloper will construct or extend water and sewer systems, gas, electrical, and other vital utilities and infrastructure to provide appropriate service to the interior Project Site. Redeveloper intends to implement greenspaces and landscaping for public use and enjoyment, in addition to other improvements for the public benefit, such as street benches, trash bins, bicycle racks, and a community fire pit. The Agency and Redeveloper do not anticipate that the Redevelopment Project will have a negative impact on now-existing City infrastructure. Rather, the Redevelopment Project will contribute vital infrastructure and improvements that would otherwise be a public cost.

b. Local Tax impacts (in addition to impacts of Tax Shifts described above):

The Redevelopment Project should create material tax and other public revenue for the City and other local taxing jurisdictions. While the use of TIF will defer receipt of a significant portion of new ad valorem real property taxes generated by the Redevelopment Project, the Redevelopment Project should generate immediate tax growth for the City. The residential and commercial uses will require and pay for City services. Additionally, the City will collect sales tax on a portion of the materials used for the Redevelopment Project. It is not anticipated that the Redevelopment Project will have any material adverse impact on such City services, but will generate revenue providing support for those services.

**3. Impacts on employers and employees of firms locating or expanding within the boundaries of the Project Site:**

The Redevelopment Project will result in new and expanded business within the Project Site, resulting in growth opportunities for existing businesses and new jobs for the City's workforce. Accordingly, it is anticipated that the Redevelopment Project will have a positive impact on employers and employees locating or expanding within the boundaries of the Project Site.

**4. Impacts on other employers and employees within the City and the immediate area that is located outside of the boundaries of the Project Site:**

The Redevelopment Project will increase population density and attract visitors to the downtown area. Nearby employers and employees, in addition to the downtown area as a whole, will benefit from the increase in population density and foot traffic. Accordingly, the Redevelopment Project is anticipated to have a positive impact on surrounding employers and employees.

**5. Impacts on student populations of school districts within the City:**

The apartments constructed as part of the Redevelopment Project are not of the size expected to attract families with school-aged children. The five condominiums are larger and may attract families with school-aged children, but the number will be too small to have much impact on student populations in the City.

**6. Other impacts determined by the Agency to be relevant to the consideration of costs and benefits arising from the Redevelopment Project:**

The Project Site is blighted and contains substandard conditions that are a detriment to the City as a whole. The Redevelopment Project will revitalize and occupy an underutilized space near downtown without negatively impacting the surrounding businesses, residents or straining the public infrastructure. There are no other material impacts determined by the Agency relevant to the consideration of the costs or benefits arising from the Redevelopment Project. As such, the costs of the Redevelopment Project are outweighed by its benefits.